



## Promoting Job Advancement

**Many working former welfare recipients have trouble paying for basic needs such as food and housing.<sup>1</sup> WtW programs can use various strategies to help these new workers progress into better jobs that make true self-sufficiency attainable.**

The majority of former welfare recipients work. However, they earn "typically below \$8 per hour and often below \$6 per hour," and most lack fringe benefits such as health insurance, paid sick leave, or unpaid family/medical leave.<sup>2</sup> Two-thirds of employment growth among former recipients since 1990 has been in jobs paying under 3/4 of the poverty level.<sup>3</sup>

This issue will address several job advancement strategies: "career ladder" creation, "non-traditional" and "high tech" jobs, Individual Development Accounts, self-employment, and further education and training.

### Career Ladders from Low-Wage Jobs

Frequent employee turnover in industries with large numbers of low-skill workers presents advancement opportunities for those who stay on the job, but many workers lack awareness of these opportunities and face obstacles to pursuing them.<sup>4</sup> Resources to help WtW programs and employers remove these barriers include:

- *Entry Level Jobs: Information for Workers and Job Counselors.* These user-friendly brochures are available at <http://www.urban.org/employment/brochure1/index.htm> or (202) 261-5576.
- *Career Ladders, Community Service, and Welfare-to-Work: A Review of the Literature and Promising Programs and a Kit for Communities.* Corp. for Nat'l Service, 1998, [http://www.nationalservice.org/research/fellows\\_reports/barnes\\_heleen.pdf](http://www.nationalservice.org/research/fellows_reports/barnes_heleen.pdf) or (202) 606-5000.

### Rocky Mountain SER (Denver, CO)

Rocky Mountain SER – Jobs for Progress, a WtW Round 1 grantee, trains participants in high-demand entry-level jobs and provides support needed to advance in those careers. SER combines classroom and on-the-job training for several health care occupations. Graduates of the entry-level Medical Instrument Technician training earn \$8/hour with benefits. For graduates of the Entry-level Certified Nurse Assistant training, SER pays tuition for Licensed Practical Nurse associate's degree programs.

SER's newest training program is in Fiberoptics Assembly. Despite the technology industry's male-dominated image, employers found that women actually outperform men at this job due to their greater manual dexterity. This 16-week course was developed with Plasticom, a USWest subcontractor that hires within SER's target neighborhoods. Participation requires a 6<sup>th</sup>- to 8<sup>th</sup>-grade reading level and strong math skills. Graduates earn

### General Resources

Two July 1998 resources from the National Governors' Association (202/624-5300) summarize research and examples of job advancement strategies:

- "Helping Welfare Recipients Increase Their Wages and Advance" from *Working Out of Poverty: Employment Retention and Career Advancement for Welfare Recipients*, <http://www.nga.org/Welfare/EmploymentRetentionWages.htm>
- "Strategies to Promote Education, Skill Development and Career Advancement Opportunities for Low-Skilled Workers," <http://www.nga.org/Pubs/IssueBriefs/1998/980728Career.asp>.

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\$8/hour, increasing to \$9.50/hour after one year. Contact Andy Roybal at (303) 480-9394.

### **“Non-Traditional” and “High Tech” Occupations**

USDOL defines “Non-Traditional” Occupations (NTOs) as jobs where women comprise less than 25% of the workforce. While NTOs pay an average of 20%-30% more than “traditionally female” occupations and often offer fringe benefits, most require more training than other entry-level jobs. To make them more accessible, USDOL has funded Women in Apprenticeship Training Occupations (WANTO) grants.

Several programs use WtW and other funds to employ welfare recipients in the information technology industry, which boasts high wages and labor shortages in numerous jobs that do not require a college degree.

#### **Resources:**

- **Wider Opportunities for Women (WOW)** hosts several NTO websites. Its Workplace Solutions Project (<http://www.workplacesolutions.org>) offers resources for employers and labor unions and lists WANTO grantees. A new site at <http://www.work4women.org> targets service providers, educators, job-seekers, workers, and girls. For other resources, see <http://www.w-o-w.org>.
- **Women Work!** features NTO success stories, lists state affiliates, and summarizes Workforce Investment Act provisions impacting women at <http://www.womenwork.org>. Call (800) 235-2732 for a free information packet or (202) 467-6346 for the staff.
- **NOW Legal Defense & Education Fund.** See <http://www.nowldef.org/html/pub/pubdet.htm> under “Employment” or call (212) 925-6635.

### **YWCA of Greater Memphis, TN**

The YWCA of Greater Memphis trains WtW participants in two NTOs: a 4-week Cable Technician/Installer program with two cable TV companies and a 10-week Carpentry Pre-Apprenticeship. Participants first complete a job readiness / life skills class. They receive hands-on vocational training, non-traditional career counseling, workplace literacy instruction, tools, and support services including child care and transportation. To address what assessment tests and employers identified as major barriers



to women in NTOs, they also train in workplace math and physical fitness.

The YWCA developed several NTO technical assistance products for employers and labor unions throughout the South. See <http://www.workplacesolutions.org/about/ywca.cfm> or contact Patricia Thompson, Executive Director, at [patriciath@maxconnect.net](mailto:patriciath@maxconnect.net) or (901) 948-0493.

### **Individual Development Accounts**

Low-income Americans hold few assets due to low earnings, lack of fringe benefits, and historically strict asset limits in many public assistance programs. Under welfare reform, TANF funds may be used for Individual Development Accounts (IDAs) without impacting eligibility for public assistance. IDAs are matched savings accounts for specific purposes. Account holders can deposit only earned income and withdraw funds only for post-secondary education/training, home purchase, or starting a business.

#### **Resources:**

- “Individual Development Accounts.” Welfare Information Network, March 1998, <http://www.welfareinfo.org/resourceIDA.htm> or (202) 628-5790.
- “Building Assets and Economic Independence through Individual Development Accounts.” National Governors Association, January 1997, <http://www.nga.org/Pubs/IssueBriefs/1997/970131IndividAccount.asp> or (202) 624-5300.
- **Center for Social Development**, Washington University in St. Louis, <http://gwbweb.wustl.edu/users/csd> or (314) 935-7433.

### **Arkansas Enterprise Group / Good Faith Fund**

The Good Faith Fund is a division of the non-profit Arkansas Enterprise Group, a DOL grantee for WtW Round 3. Its **Rapid Assets IDA** program bolsters participants’ own savings with matching dollars from WtW and the Arkansas Department of Human Services. The IDAs can be used for home ownership, business start-up, or post-secondary education. Account holders are trained in financial planning and management, asset development and management, and home ownership. Contact: Angela Duran, [aduran@ehbt.com](mailto:aduran@ehbt.com) or (870) 535-6233, x16. For information on other Arkansas Enterprise Group programs, see <http://www.arenterprise.org/>.

### Self-Employment in “Microenterprises”

Small loans, training, and other supports to low-income women starting very small businesses have gained growing attention, first in developing countries and now in the U.S. Research indicates that while “self-employment is neither a certain nor an easy route off of welfare,” for certain recipients it is the best or only available employment option, particularly in economically depressed areas.<sup>5</sup> TANF allows self-employment as a work activity.

#### Resources:

- The **Small Business Administration**, Office of Women’s Business Ownership offers various WtW and economic development resources at <http://www.sba.gov/womeninbusiness> or (202) 205-6673.
- The **Aspen Institute’s** Economic Opportunities program sponsors micro-enterprise research, evaluation, best practices, and performance measures. See <http://www.aspeninst.org/dir/polpro/SELP/SELP1.html> or call (202) 736-5800.
- **National Network for Family Resiliency** lists resources on home-based businesses at <http://www.nnfr.org/econ/bus.htm>

### Grace Hill Business Center (St. Louis, MO)

Partnering with the Missouri Small Business Development Centers, Grace Hill Neighborhood Services offers a three-stage **Start a Small Business Class** to TANF recipients who reside in the local Enterprise Community. The first module introduces the skills needed to run a small business and teaches how to analyze, evaluate and develop business ideas. Participants in Module II develop their own business, management, and marketing plans. In Module III, each participant works with a business consultant to research, analyze, and finalize her business plan. WtW allows this type of class as a job-readiness service.

Class graduates seek capital from local banks or from Grace Hill’s Micro Lending Program and can rent space from its small business incubator. Grace Hill is developing a national Internet “chat room” for low-income women entrepreneurs at <http://www.gracehill.org>. Contact Mr. Lynn Steele, Director of Economic Development, at [lynnsteele@gracehill.org](mailto:lynnsteele@gracehill.org) or (314) 539-9668.

### Resources on Both IDAs and Micro-Enterprises

- **Corporation for Enterprise Development**  
<http://www.cfedonline.org> or (202) 408-9788.
- **Southern Rural Development Center** at Mississippi State University publishes briefs on IDAs and other welfare reform topics and offers a micro-enterprise training curriculum. See <http://www.ext.msstate.edu/srdc/> or call (601) 325-3207.

### Further Education or Training

To advance in or enter many fields requires education beyond high school. A 1995 study of National Longitudinal Survey data found that, even after controlling for other differences between the groups, women with associate’s degrees earned 19-23% more than women with no postsecondary education, and those with bachelor’s degrees earned 28-33% more.<sup>6</sup>

#### Resources:

- **America’s Career Kit** is a web-based self-service system created by USDOL to assess career goals, identify which skills are needed to attain them, and find education and training programs that provide those skills. Start at <http://www.acinet.org>.
- *State Opportunities to Provide Access to Postsecondary Education Under TANF*. Center for Law & Social Policy, 9/99, <http://www.clasp.org/pubs/jobseducation/postsecondary.final.PDF> or (202) 328-5140.
- “Welfare Reform and Postsecondary Education: Research Policy Update.” Institute for Women’s Policy Research, 4/98, <http://www.iwpr.org/WNN10.HTM>, (202) 785-5100.
- Other publications and links at <http://www.welfareinfo.org/postseced.htm>.

## NOTES

- <sup>1</sup> *Ideas that Work*, Issue 9, p. 3.
- <sup>2</sup> *Welfare Recipients Who Find Jobs: What Do We Know About Their Employment and Earnings?* Center on Budget & Policy Priorities, 11/98, <http://www.cbpp.org/11-16-98wel.htm> or (202) 408-1080.
- <sup>3</sup> *Welfare to What? Early Findings on Family Hardship and Well-Being.* Children's Defense Fund and Nat'l Coalition for the Homeless, 12/98, [http://www.childrensdefense.org/fairstart\\_welfare2what.html](http://www.childrensdefense.org/fairstart_welfare2what.html) or (202) 662-3542. The 1998 U.S. Census poverty threshold for a single adult with two children was \$13,133 in annual income (see <http://www.census.gov/hhes/poverty/threshld.html>).
- <sup>4</sup> *Industry and Cross-Industry Worker Mobility: Experiences, Trends, and Opportunities for Low-Wage Workers in Health Care, Hospitality, and Child Care.* Urban Institute, 12/97, <http://www.urban.org/health/occmobil.html> or (877) 847-7377.
- <sup>5</sup> *Helping Poor Women Achieve Self-Sufficiency Through Self-Employment: The Potential of U.S. Microenterprise Programs* by Dr. Lisa J. Servon. RISE business, 1/99. See <http://www.riseb.org/achievingpr.htm> and <http://www.riseb.org/eshelppoor.html> or call (202) 628-8382 for more information.
- <sup>6</sup> "Post-secondary Education Under Welfare Reform" *Issue Notes*, WIN, 6/98, <http://www.welfareinfo.org/vocational%20ed.htm> or (202) 628-5790.

## About *Ideas That Work*

*Ideas that Work* is a series of issue briefs designed to provide practical and innovative technical assistance to the local practitioners who are implementing the U.S. Department of Labor's Welfare-to-Work grants.

The ideas presented in this series are intended to spark innovation and to encourage peer networking. Replicability may depend on individual state and local guidelines. Any activities carried out by a State or local Welfare-to-Work program, using WtW grant funds, must also comply with the Federal WtW law and regulations.

*Ideas that Work* is offered through the U.S. Department of Labor's Office of Welfare-to-Work, and produced by Technical Assistance and Training Corporation (TATC). We want to hear your comments about this series and your suggestions for specific topics or programs to highlight in the future. To share your views, contact TATC via e-mail at [ITW@tatc.com](mailto:ITW@tatc.com), or call (202) 408-8282 (ask for *Ideas that Work* staff).

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